

**Georgia Department of Community Affairs
and
Georgia Housing and Finance Authority
Shelter Plus Care Program Management Guide
(also known as CoC Rental Assistance)**

Purpose of the Shelter Plus Care Program Management Guide

This *Shelter Plus Care Program Management Guide* is provided to Shelter Plus Care program sponsors/sub-grantees administered through the Georgia Department of Community Affairs (DCA) / Georgia Housing and Finance Authority (GHFA) in order to give an overview of Shelter Plus Care program requirements and offer sponsors/sub-grantees sample forms that can be used in complying with these requirements. The *Guide* is not a substitute for the *Shelter Plus Care Policies and Procedures* manual that each sponsor/sub-grantee is required to create; however, it may be useful for agencies to incorporate all or portions of the *Guide* into such a manual. While it is comprehensive in its scope, the *Guide* is meant to be used in conjunction with HUD's own *Shelter Plus Care Resource Guide*, *Shelter Plus Care Program Desk Guide*, and other Shelter Plus Care guidance available on the HUD website at <http://www.hud.gov>. In order to effectively serve as sponsors/sub-grantees for the Shelter Plus Care program, agencies should thoroughly familiarize themselves with the HUD regulations for this program, which are included in the attachments to this *Guide*.

It should also be noted that the Shelter Plus Care program is not static; modifications may be made annually at the time at which the Notice of Funding Availability (NOFA) is published and at other times as determined by HUD and/or the U.S. Congress. It is important that Shelter Plus Care program sponsors/sub-grantees remain in contact both with Georgia DCA/GHFA and with their local Continuum of Care coordinating body in order to ensure that they continue to be in compliance with HUD requirements for this program.

Throughout this Guide, GHFA will be used to refer to the Georgia Department of Community Affairs / Georgia Housing and Finance Authority. Sponsor will be used for sponsor / sub-grantee.

IMPORTANT: *The law will prevail where this Program Management Guide appears to be in conflict with the CoC Interim Rule or the S+C regulations.*

INTRODUCTION

The Shelter Plus Care (S+C) program is permanent supportive housing funded through the United States Department of Housing and Urban Development (HUD) Continuum of Care Homeless Assistance Program. Shelter Plus Care funding is obtained by funding applications submitted to HUD through local Continuum of Care consortiums. The Shelter Plus Care Program is designed to link rental assistance with supportive services for homeless and disabled persons and their families, with HUD providing funding for the rental assistance and sponsors providing and/or obtaining supportive services for the participants as matching funding. The Shelter Plus Care Program serves persons who are homeless and have a disability primarily a serious mental illness, substance abuse disorder, or both, or have acquired immunodeficiency syndrome (AIDS) or HIV-related diseases.

The goals of the Shelter Plus Care Program are to assist homeless individuals and their families to:

- increase their housing stability;
- increase their skills and/or income; and
- obtain greater self-sufficiency.

Shelter Plus Care grants can be used to provide rental assistance in three ways: Tenant-based Rental Assistance (TRA), Sponsor-based Rental Assistance (SRA), and Project-based Rental Assistance (PRA). In Georgia, S+C programs are primarily **Sponsor-based Rental Assistance** with a few exceptions being **Project-based Rental Assistance**. Both the SRA and the PRA components provide grants for rental assistance through participant agreements between the grant recipient (GHFA) and sponsor organizations. Under HUD regulations, a sponsor may be a private, nonprofit organization or a community mental health agency established as a public nonprofit organization. In the SRA model, participants reside in housing – a single structure or scattered sites – owned or leased by the sponsor.

The sponsor makes housing available to eligible homeless persons and receives HUD funds for rent subsidies through GHFA. Program participants must pay 30 percent of their adjusted gross income, or 10 percent of their gross income, whichever is higher, to cover their portion of the rental costs. The difference between that amount and the actual unit rent plus utilities is covered by the S+C rent subsidy. Housing used in the program must meet minimum housing quality standards (HQS) established by HUD. The S+C rental assistance is matched – either 100% or 25%, depending on the regulation required for each grant – by a range of treatment and supportive services provided by the sponsor or sources obtained by the sponsor. Sponsors must document the value of these matching treatment and supportive services.

This ***Shelter Plus Care Program Management Guide*** is designed for DCA / GHFA providers that are participating as sponsors in the Shelter Plus Care program. It provides a task-oriented overview of a sponsor's responsibilities for program operations and administrative oversight of Shelter Plus Care projects. The *Guide* covers key areas of Shelter Plus Care operations that require on-going supervision and monitoring by managers, based on mandated Shelter Plus Care requirements.

SUMMARY OF REQUIREMENTS FOR SPONSORS

To effectively operate a Shelter Plus Care program, a sponsor must address each of the following:

Participant Eligibility

- Develop and conduct a process to determine that each individual or family being considered for participation in the S+C program meets all of the eligibility and income criteria according to the definitions provided.
- Determine and document that at least one adult member of the household has a targeted disability.
- Determine and document that the participant is homeless, as defined by HUD.
- Determine and document that the participant's/household's income – at entry – does not exceed 50% of the median income (very low income limits) for the locality; review and document the participant/household income on an annual basis to determine rental share only. (Visit www.huduser.org/datasets/il.html for a listing of HUD income limits).
- Calculate the participant's contribution toward the rent (30% of adjusted gross income, or 10% of the gross income, whichever is higher).

Eligible Housing and Leasing Requirements

- Identify available housing units that are suitable for the needs of the program.
- Develop written procedures regarding how housing units will be selected for the program.
- Own or lease housing units.
- Determine that each housing unit used in the program meets HUD's rent reasonableness requirements. Keep documents on file for monitoring review.
- Conduct a "rent reasonableness survey" of the rental market for each unit.
- Complete the "Certification for Rent Reasonableness" form and a "Rent Reasonableness Checklist" for each unit.
- Ensure that all units being considered for use in the program meets HUD "Housing Quality Standards" and lead-based paint requirements by: requesting initial inspection by DCA staff; coordinate with DCA staff for annual re-inspection; and if the unit fails either inspection, follow the guidelines for repair, or move the participant to appropriate housing.

Supportive Services

- Develop and follow written procedures assessing participants' needs for various support services and for providing a supportive living environment.
- Develop a screening and selection process designed to be inclusive and easily accessible for eligible individuals, and completed in a timely manner.
- Enter into an Occupancy Agreement with each individual accepted into the program.
- Provide or arrange for supportive services for each individual participating in the program based on individualized need.
- Complete all Housing Support Standards (HSS) including the *Barriers To Housing Stability Assessment* - as outlined on the DCA website.
- Encourage participation in program development activities, including serving on the sponsor's Board of Directors.
- Provide a formal process for terminating assistance to an individual participating in the program that includes due process.

Reporting and Financial Reimbursement

- Collect and maintain required participant information on each individual referred and each individual accepted into the S+C program on an ongoing basis.
- Electronic files – sponsors may keep files electronically, but sponsors must be able to print them out upon request, or allow them to be viewed as part of an on-site or remote monitoring or audit by GHFA/DCA staff or HUD. Additionally, if the sponsor uses an electronic system, they must provide an adequate back-up system for the files and ensure privacy protections that adhere to other federal privacy regulations, such as HIPAA (Health Insurance Portability & Accountability Act).
- Enter all required data into a HUD-approved Homeless Management Information System (HMIS) – Pathways COMPASS. The vendor may vary given the population or area served. ALICE is used for those sponsors whose target population is victims of domestic violence; ClientTrak is used for those providers in the Columbus CoC.
- Submit APR Part I and II (from HMIS) to GHFA within 30 days of grant year end date including the Additional Questions document with financial match.
- Document support services provided to each participant and the value of those services on a regular basis, reporting monthly on reimbursement requests and annually on the Annual Progress Report.
- Document progress achieved toward project goals in HMIS through the Housing Support Standards.
- Maintain financial records in accordance with HUD and GHFA requirements.
- Submit monthly claims for reimbursement to GHFA for payment.
- Reimbursement requests must be submitted within 60 days of the month requested. GHFA reserves the right to deny reimbursement on those requests received after 60 days.

Grants Management

Spending of Funds - Sound fiscal management of Rental Assistance (S+C) funds is important in order to maximize serving the hardest to serve homeless persons thus reducing the homeless street count in the state of Georgia. It is not acceptable to return S+C funds to the Treasury. It is the Project Sponsor's responsibility to ensure that all grant funds are spent during the contract period.

- Initial 5-year grant - spending the full grant amount during the initial 5-year term (may include the one year extension) is critical to maximizing the number of units available in Georgia to serve the hardest-to-serve homeless individuals and families.
- Renewal grant – it is the responsibility of the sponsor to spend the full grant amount annually. This amount may change each year based on the FMR at time of award. Sponsors should review their grant amounts on a regular basis (monthly) and adjust inventory as needed to maximize expenditure of grant funds while not over-spending. If sponsors over spend, it is their responsibility to cover this overage. If the sponsor under spends at greater than 5% of total award, DCA may reduce the grant amount.
- Utilization Rates - This is the number of units in production vs. the number of contracted units. Sponsors are expected to reach 100% unit utilization within 12 months of contract start date, and maintain a minimum of 100% unit utilization throughout the grant term.
- Initial 5-year grant – it is the sponsor's responsibility to ensure that the Rental Assistance (S+C) grant reaches full capacity as soon as possible. For those grants that are not operating at full capacity within six months of the contract start date, DCA will require a written action plan from sponsor. If the grant is not at full capacity within 12 months of contract start date, DCA may withdraw the grant and transfer to another project sponsor.

- Over Serving – “Over serving” refers to increasing the units and/or beds above the contracted configuration and thereby serving more participants than originally contracted in the grant. If funds allow, over-serving is desirable and expected.
- DCA will monitor capacity on a monthly basis (based on units in production at last reimbursement) and communicate utilization rates of all sponsors on a regular basis.
- Stability Rates - This is the percentage of S+C participants who remain in the program for longer than 6 months. This percentage includes those participants who are in the program for longer than 6 months and who exit to a permanent destination. The performance target for stability rate is set by HUD during the annual NOFA process and will be communicated to sponsors.
- Stability rates will be monitored by the grantee quarterly and communicated to all sponsors. For those grants not meeting the minimum performance target, the sponsor will be required to submit an explanation and an action plan for improvement.
- Performance Measures – sponsors are expected to meet or exceed all performance measure targets. These targets are set by HUD and will be measured by DCA on a regular basis using HMIS and the DCA grants management database. Projects that consistently fall below the expected targets may have their grant withdrawn and reassigned to a new sponsor.

Participation in Local Continuum of Care Planning Processes

- There are currently nine (9) CoC’s in the state of Georgia. Active membership and participation in your Continuum of Care (CoC) is required by all sponsors. The governance charter for each will clarify the required participation of each sponsor.
- The CoC Program regulations requires all sponsors to participate in the designated centralized or coordinated assessment system to initially assess the eligibility and needs of each household seeking homeless assistance. S+C sponsors will be expected to implement these provisions after their respective CoC has devised and implemented both written standards and an assessment system.
- Sponsors will need to follow each relevant CoC’s written standards for providing CoC assistance, which may further define eligibility policies and procedures as well as the determination and prioritization of eligible persons for PSH resources.

PLACEMENT POLICY – adopted January 2014

Introduction

Continuum of Care Rental Assistance Programs (also known as Shelter Plus Care) are designed to provide permanent housing in connection with supportive services to homeless people with disabilities and their families. The program meets the needs of a population that has been traditionally hard to reach - homeless persons with disabilities such as (but not limited to) serious mental illness, chronic substance abuse, and/or AIDS and related diseases. The Shelter Plus Care (S+C) program was built on the premise that housing and services need to be connected in order to ensure the stability of housing for this population. Goals of the S+C Program are to assist homeless individuals and their families to increase their housing stability, skills and/or income, and self-sufficiency.

The program is designed to accommodate clients and households for an indefinite duration, dependent on the continuation of the program and the client keeping to the terms of the occupancy agreement. The programs may have differing occupancy agreement clauses that the client will need to abide by dependent on the target population and the level of case management provided.

Background

It is important to recognize the long term nature of the S+C program. Many clients have lived within S+C for a number of years, some even decades. As each household enters S+C, it should be acknowledged that this may be the household's long term, potentially last housing placement.

Agencies that manage S+C programs (Sponsors) have sometimes struggled to find suitable apartments that fit within the Fair Market Rents for the county, and have landlords sympathetic or willing to rent to the Sponsor. Once Sponsors find a landlord willing to partner with them, they have sometimes placed multiple or even all of their units in a single complex to maximize the benefits this relationship will bring to the Sponsor.

At this time, only one county within Georgia places a limit on the number of special needs units within a single complex. DCA has not placed any restrictions on the placement of units within a single complex to date, and has often partnered with non profits to provide purpose built congregate special needs housing that have used Shelter Plus Care vouchers as a rental subsidy.

Purpose

The purpose of this policy is to explain DCA's philosophy of ensuring that homeless households are offered maximum choice in where they will live, while acknowledging the challenges of implementing these permanent supported housing programs within the community. DCA recognizes that both scattered site and congregate housing are valuable to the S+C client group and does not seek to impose one over the other, only to ensure that both are available, where possible in every community within Georgia.

DCA's long term goal is for clients to have a range of permanent supportive housing programs that include both scattered and congregate housing so that clients have a choice of housing type. To this end, DCA believes that the placement of S+C vouchers should be in the client's best interest, and should seek to incorporate both models. Where this is not possible, DCA anticipates that the Sponsor will seek to scatter the vouchers within the county that they serve, to the greatest possible extent, providing the greatest possible amount of choice, rather than clustering within a single complex.

DCA S+C Implementation Policy & Procedure

- Sponsors must have a written policy of how it will maximize client choice in the placement of Shelter Plus Care units, how it will seek to place units in as diverse an area as possible, how it will consider requests from clients to move to other areas served by the Sponsor, and how it will assist with requests to move outside of the Sponsor's service area. The policy must be approved by DCA's S+C Coordinator.
- S+C vouchers may not be used to support 50% or more of any single complex's units. This applies to complexes of 20 units or more.
- If any existing Shelter Plus Care program does not meet the above condition, the Sponsor will be obliged to follow an attrition procedure, where they will move the units once the current household has left the occupancy agreement, and the lease has moved to a month to month option. DCA would not expect any client to move units unless they had expressed this option as their choice.
- DCA will review the figure of 50% of Shelter Plus Care units within a single complex annually, and anticipates lowering the figure to 25% in two year's time.

- Sponsors may not coerce, or insist on moving a S+C household to another unit, solely because it is in the Sponsor's best interest, or furthers a Sponsor goal or objective.

Exceptions to the Placement Policy

DCA understands that this will potentially impact a number of Shelter Plus Care programs and wishes to balance its philosophy of client choice with an understanding of the difficulties of running the program. To this end, DCA will consider individual agency circumstances and provide a waiver based on the following circumstances:

- The S+C voucher is a Project-based Rental Assistance voucher, and thus unable to be moved to other locations.
- The S+C voucher is being used to support a program that was designed as congregate permanent supportive housing and was supported by DCA, either through direct financing, or in partnership with another entity, at the time of planning and implementation.
- There are unique factors within the community that make it impossible to scatter the vouchers in more than one location. A Sponsor would need to provide due diligence to show their efforts in finding alternate units. Mitigating factors to consider include rents, transportation, affordability, and community based services. Any client consultation will also be considered.

If a sponsor is granted a waiver to the rule of 50% or more units, it must still implement the policy of ensuring maximum client choice in housing placement. Shelter Plus Care programs are awarded to a particular county, or metropolitan area and the agency should ensure, to the maximum extent possible, that units are located throughout the area.

Leaving Shelter Plus Care Programs

S+C programs are housing programs that are linked to services. This makes them a powerful tool to serve those who are homeless and have high barriers towards being stably placed within the community. However as a client's circumstances change, they may decide to move towards a more independent living situation where they increase their lease obligations and responsibilities. DCA recognizes this and encourages Sponsors to ensure this option is a part of each household's case management plan. DCA also encourages Sponsors to work with the client and provide or facilitate offers of housing options that may be suited to living more independently within the community.

However DCA recognizes that client choice must be informed, and so will require all agencies to inform clients of the following:

- S+C is linked to mandatory services that the Sponsor MUST provide. Moving out of S+C means that services may be offered by different agencies, in a different way. There may be fewer obligations on a service provider to continue to offer services.
- Once a client has left a S+C program they lose the homeless status that they have kept throughout the time they were in a S+C program. This may limit any future potential choices that the client may have, if circumstances change for the client.
- DCA supports housing options that increase independence, such as housing vouchers that are portable. DCA is opposed to offering vouchers that limit a client's independence, or have restrictions such as mandatory service program attendance.
- No one should be coerced into leaving S+C, or told that they will need to leave or change locations, other than because of an issue related to behavior, the

termination of a lease or because it is no longer possible to continue to utilize the existing unit.

Transfers within the S+C Program from Sponsor to Sponsor

- Moving from program to program is acceptable, and may be in the client’s best interest, provided that both sponsors are agreeable. The agency that receives the transfer is responsible for ensuring that all homeless and verification documentation is correct and in good order.

OCCUPANCY STANDARDS

DCA's occupancy standards are based on the following table:

Rental Assisted Unit Bedroom Size	Number of Persons	
	Minimum	Maximum
1	1	2
2	2	4
3	3	6
4	5	8

Note: For the purpose of determining household composition and unit size, a pregnant woman is considered to be one adult and one child under the age of 6.

In addition, household composition is taken into account and unit size is also based on the following:

Unit Size	Family Composition
1	1 adult or 2 adults (couple)
2	2 adults of the same or opposite sex living together in a non-conjugal relationship
2	1 adult and 1 child
2	2 adults (couple) and 1 child of any age
2	1 adult and 2 same-sex children
2	1 adult or a couple and 2 opposite sex children, both under 6 years of age
3	1 adult or a couple and 2 opposite sex children when one child is at least 6 years of age
3	1 adult and 3 same sex children or opposite sex children all under 6 years of age
3	2 adults (couple) and 3 children
3	1 adult or a couple and 4 children (either all of the same sex or any combination where 2 children of the opposite sex will not share a bedroom unless both are under the age of 6 years)
4	1 adult or a couple and 4 children, 3 of the same sex and 1 of the opposite sex, when all children are at least 6 years of age
4	1 adult or a couple and 5 to 7 children, provided children do not have to share a bedroom with the parent(s) <u>or</u> with a child of the opposite sex when either is over the age of 6 years

DCA will consider requests for exceptions to the above stated Occupancy Standards because of health needs or other circumstances on a case-by-case basis. Such requests must be accompanied by appropriate documentation such as a doctor's statement.

Except in exceptional circumstances, participant(s) should not be permitted to move into a unit with more bedrooms than the minimum number stated in the above charts, even if the contract rent is in line with a smaller unit size.

POLICIES & PROCEDURES REQUIRED OF SPONSORS

The following policies and procedures are required to be in writing and will be monitored by the DCA monitoring team:

- Occupancy agreements
- Homeless determination and documentation
- Disability determination and documentation
- Environmental controls
- Housing quality standards
- Rent reasonableness
- Outreach activities
- Matching requirements
- Client rent
- Termination of assistance
- Grievance procedures
- Nondiscrimination and equal opportunity requirements/fair housing
- Records and reports
- Tenant selection criteria and scope of services provided
- MOU's with housing and supportive services providers
- Financial policies and procedures should include:
 - Internal controls
 - Disbursements
 - Purchasing and acquisitions
 - Cash receipts
 - Accounting record retention